

IN THE MATTER OF THE ARBITRATION OF

STEVE GOLDSCHMIDT

and

PORTLAND SCHOOL DISTRICT NO. 1

CONDENSED

DEPOSITION OF JULIA BRIM-EDWARDS
Taken on Behalf of Steve Goldschmidt

BE IT REMEMBERED That the deposition of JULIA BRIM-EDWARDS was taken on behalf of Steve Goldschmidt, before Kimberly J. Rise, Certified Shorthand Reporter for the State of Oregon, on Wednesday, the 15th day of June, 2005, commencing at the hour of 9:10 a.m., at the law offices of Barran Liebman, 601 S.W. 2nd Avenue, Suite 2300, Portland, Oregon.

Reported by:
Kimberly J. Rise
CSR No. 90-0138

Job No. KR-294-05

Page 2

1 DEPOSITION OF JULIA BRIM-EDWARDS

2

3 APPEARANCES:

4 BUSSE & HURT
By: Richard C. Busse
For Steve Goldschmidt;

5

6 BARRAN LIEBMAN
By: Edwin A. Harnden
For Portland School District No. 1;

7

8 DAVIS WRIGHT TREMAINE
By: Carol J. Becknick
For the Witness.

9

10 ALSO PRESENT:

11 Steve Goldschmidt
Jollee Patterson

12

13

14

15 INDEX

16 EXAMINATION BY:	PAGE NO.
17 Mr. Busse	3
18 REQUESTS FOR PRODUCTION BY:	
19 Mr. Busse:	
20 Any notes by Ms. Brim-Edwards of the conversation in November between Ms. Brim-Edwards, Dr. Phillips, and Mr. Goldschmidt concerning Mr. Goldschmidt's contract	39
23 The two letters by individuals sent to the School District, Dr. Phillips, and Ms. Brim-Edwards complaining about human resources	45

Page 4

1 Q. Where are you currently employed?

2 A. Nike.

3 Q. In what capacity?

4 A. I'm the deputy director for state and public affairs.

5

6 Q. And do you have any association with the Portland Public School District?

7

8 A. Yes. I currently serve on the Portland School Board.

9

10 Q. And for how long have you so served?

11 A. Almost four years.

12 Q. When did that begin? Is that about July of 2001?

13 A. Four years ago.

14 Q. And did you also serve as cochair for a period of 15 time?

16 A. I did, for a year and a half.

17 Q. And when did that start and when did that end, 18 approximately?

19 A. It ended last January, and then the preceding 18 20 months before that.

21 Q. And when is your term expiring?

22 A. At the end of June of this year.

23 Q. And will you have any association with the District 24 afterwards?

25 A. I assume so. I'll continue to be a parent and I'm

Page 3

1 JULIA BRIM-EDWARDS

2 called as a witness on behalf of Steve Goldschmidt,

3 having been first duly sworn, was examined and

4 testified as follows:

5

6 EXAMINATION

7 BY MR. BUSSE:

8 Q. Would you please state your full name for the

9 record.

10 A. Julia Brim-Edwards.

11 Q. And your residence address, please?

12 A. 6666 Southeast Yamhill, Portland, Oregon 97215.

13 Q. Ms. Edwards, my name is Rich Busse. We've been

14 introduced. I'm here to represent Mr. Goldschmidt in his

15 case against the District. If at any time you don't

16 understand my question, don't hesitate to ask me to

17 rephrase; I'd be happy to do that for you, okay?

18 A. Okay.

19 Q. Also, as you just did, we need to continue to get a

20 good strong verbal response, rather than a shake or nod of

21 the head or "uh-huh" or "huh-uh". Will you try and do

22 that for us?

23 A. Yes.

24 Q. Do you have any questions before I begin?

25 A. No.

Page 5

1 serving on the Portland Schools foundation and I

2 anticipate that I will be helpful, as I was before I was

3 on the Board, to District efforts.

4 Q. Okay. Now, during the time that you served on the

5 School Board, have you worked with Mr. Goldschmidt?

6 A. Yes.

7 Q. And could you tell us whether you've enjoyed that

8 relationship.

9 A. I'm not sure I -- We had a professional

10 relationship that -- over the four years that he was -- I

11 was on the Board and it was a productive relationship, I

12 think.

13 Q. All right. Did you feel that you worked well

14 together?

15 A. Yes.

16 Q. And did you view him as a good and valuable

17 employee of the District?

18 A. Yes.

19 Q. Could you please tell us some of the projects that

20 you and he worked together on over the years that you

21 served with the Board.

22 A. There was a host of projects. Certainly all of our

23 employee contracts and the executive sessions that we had

24 with relation to those. I served on the School District's

25 bargaining team with the Portland Association of Teachers

Page 6

1 twice.

2 In addition, I worked with Steve on issues

3 relating to principal hiring and placement and also on the

4 issues relating to re -- changing the senior

5 administrative contracts; also with Vicki's transition

6 into the District; and certainly any issue related to

7 human resources.

8 Q. Okay. And did you appreciate the support he gave

9 to you working with you on those projects?

10 A. Yes.

11 Q. How important is the selection of the best

12 principals that you can find to the District?

13 A. I think it's key to school improvement.

14 Q. And why is that?

15 A. Because they're the building leader and they are, I

16 think, the unit of change at the building level.

17 Q. Did Mr. Goldschmidt make any improvements in the

18 methodology for selecting principals?

19 A. I believe, during my tenure on the Board, that we

20 had some excellent administrators that were hired at the

21 building level that were com -- placements that were good

22 fits between a school and the administrative personnel

23 that we had available -- or, that were recruited.

24 Q. Do you recall anything he did to improve the input

25 that the community and teachers had in principal

Page 7

1 selection?

2 A. The -- I believe the school -- my recollection is

3 that the School District changed the principal selection

4 process just prior to my joining the Board; although, I --

5 that's my recollection, so we were implementing a new

6 principal selection process as I came onto the Board, and

7 Steve's office -- the human resources and the area

8 directors were both instrumental in implementing that new

9 process by which staff and parents had a greater role in

10 the principal selection process.

11 Q. Okay. And what's your recollection as to the level

12 of satisfaction with that new process amongst the teachers

13 in the community?

14 A. I think it was positive.

15 Q. Did you work with him on market-based compensation

16 for administrators?

17 A. Yes.

18 Q. And what was the change that was implemented under

19 his administration in connection with making

20 administrative pay market based?

21 A. Well, at various times during my service on the

22 Board we had presentations to the Board regarding

23 administrative compensation and principal compensation and

24 that the change was based on -- my understanding, the

25 change was that if we wanted to get the very best

Page 8

1 administrators and principals that we needed to be

2 competitive in order to attract them and retain them.

3 Q. And did you agree that that was a good idea, to

4 move to a market-based compensation system for those

5 people?

6 A. When you say "market-based", are you talking about

7 salary or something else?

8 Q. Salary.

9 A. Salary, yes.

10 Q. Do you recall any changes that were made to

11 facilitate the earlier hiring of teachers that was

12 implemented under his administration?

13 A. Yes.

14 Q. And what was that?

15 A. That previously we had -- during my tenure on --

16 the beginning of my tenure on the Board, that the District

17 had waited for the budget to be set and the staffing ratio

18 to be set and then, following that, we had to go through

19 the rounds system and then we could hire teachers, and

20 that usually was later, and that, in the following years,

21 we -- the School District and -- implemented by the HR

22 department that moved up the day to set the staffing ratio

23 so that we could move through the rounds system and be out

24 in the market earlier in the school hiring cycle.

25 Q. Why was that important?

Page 9

1 A. So that we could be competitive in getting a more

2 diverse workforce in the specialties, math and science,

3 where it's difficult to hire teachers, and in ESL and

4 teachers and classified staff of color; that the earlier

5 we were out the more competitive we would be.

6 Q. What support do you recall Steve giving in

7 connection with the collective bargaining with the various

8 Union groups?

9 MR. HARNDEN: With regard to what? I

10 missed --

11 MR. BUSSE: The various Union groups.

12 THE WITNESS: Um, can you be more

13 specific?

14 BY MR. BUSSE:

15 Q. Did you --

16 A. I mean, we had seven -- or however many bargaining

17 units we have. I'm not sure what you're getting at

18 specifically.

19 Q. Did he help negotiate any of those contracts

20 himself?

21 A. Yes.

22 Q. And that was the classified employees contract?

23 A. Yes.

24 Q. And what's your recollection as to how smoothly

25 that went the year that he did that while you were on the

Page 10

1 Board?

2 A. I wasn't at the table, so I can't speak to what was

3 at the table. I can speak to the outcome, that we got the

4 outcome that the School Board desired.

5 Q. To your recollection, was that settled in about

6 three bargaining sessions?

7 A. Are you referring to the first one or -- There was

8 two, I believe, classified negotiations during my tenure

9 on the Board.

10 Q. Well, let's take the first one. How smoothly did

11 that one go?

12 A. There was a presentation -- again, I was not at the

13 table, so my comments are the outcome that I observed as a

14 Board member that the classified -- head of classifieds

15 came and did a joint presentation with HR in terms of the

16 outcome and that was -- that it was positive. That was

17 the first one when I was first on the Board.

18 Q. Okay. And the second?

19 A. State your -- I'm sorry, state your question

20 again.

21 Q. How smoothly did the second bargaining round go

22 with the classified employees?

23 A. I'm trying to get to -- smoothly in terms of what?

24 The -- what was at the table or the outcome, or --

25 Q. Well, let's talk about the outcome. To your view,

Page 11

1 did he further the Board's objectives and meet those?

2 A. Yes. We had two main objectives, a financial one

3 and a nonfinancial one, and we made progress on both of

4 them.

5 Q. Okay. How often would you speak with

6 Mr. Goldschmidt to work on District issues?

7 A. It depended. Sometimes it would be a couple days

8 that I wouldn't talk to him; other days maybe, depending

9 on if we were in the midst of an issue that I was fairly

10 involved in, it could be up to five or six times a day. A

11 fairly wide range.

12 Q. Would any of the times that you wanted to speak to

13 him reach into the evening hours?

14 A. Yes.

15 Q. Or weekends?

16 A. Yes.

17 Q. Did he make himself available to you at all hours?

18 A. Yes.

19 Q. Did you find --

20 A. I could call, I mean, and get a -- if I needed a

21 call back, get one, yes.

22 Q. Did you find him to be responsive to your needs?

23 A. Yes.

24 Q. And how would you characterize how hardworking he

25 was during the contacts that you had with him in that

Page 12

1 period of time?

2 A. Steve worked very long hours at the School

3 District.

4 Q. Did he appear to be concerned about following the

5 Board's strategic direction?

6 A. In terms of collective bargaining or --

7 Q. Well, let's take that. In terms of collective

8 bargaining, do you believe that he was concerned about

9 following the Board's directives?

10 A. I believe he did.

11 Q. Has the Board come under increasing financial

12 pressure during your time on the Board?

13 A. Yes.

14 Q. And what were some of the strategies the Board used

15 to alleviate that pressure?

16 A. Well, several Board members were instrumental in

17 putting the Multnomah County income tax on the ballot. We

18 also -- one of our -- closed schools; we contracted out

19 custodians. We also set as an objective in our bargaining

20 with our employees -- both our represented employees and

21 our nonrepresented employees, to put some limitations on a

22 variety of the -- both on salary and on the benefits

23 offered to employees.

24 Q. And was human resources the department primarily

25 responsible for working with the unions to accomplish

Page 13

1 those objectives?

2 A. Well, the human resources was one, but, depending

3 on the bargaining unit, there may have been -- for example

4 with SEIU, facilities would have been involved and, also,

5 nutrition services, so --

6 Q. Do you think -- Well, he was not on the District

7 bargaining team with the teachers in 2002 or 2004, was he?

8 A. By "bargaining team", you mean at the table?

9 Q. At the table.

10 A. You're correct.

11 Q. And Maureen Sloane was the HR representative at the

12 table?

13 A. Correct.

14 Q. And the spokesperson in 2002 was Bruce Zagar?

15 A. Yes.

16 Q. And in 2004 was Rick Liebman?

17 A. Yes.

18 Q. Even though he wasn't on the bargaining team, do

19 you think that he got any of the brunt --

20 A. Who's "he"?

21 Q. Mr. Goldschmidt -- got any of the brunt of

22 criticism from the teachers in connection with the

23 furthering of the Board's objectives that was

24 undertaken --

25 A. Yes.

Page 14

1 Q. -- in terms --
 2 And why is that? What's your perception as to
 3 why it was that he took that?
 4 A. I think he was the head of human resources at the
 5 time and, certainly, he had a role; his department was at
 6 the table.
 7 Q. Anything else, in your view?
 8 A. I think my perception was is they used Steve as a
 9 smart strategic negotiator and that his role was important
 10 in the process.
 11 THE WITNESS: Can I take a brief break
 12 and --
 13 MR. BUSSE: Sure.
 14 THE WITNESS: -- talk to you a moment?
 15 (The witness conferred with Counsel
 16 outside the deposition room.)
 17 BY MR. BUSSE:
 18 Q. In the 2002 negotiation that led to the outsourcing
 19 of the custodian services, did the Board propose to
 20 outsource the custodial services?
 21 A. My recollection is the proposal came from
 22 facilities.
 23 Q. And who was in charge of facilities at that time?
 24 A. Pam Brown.
 25 Q. Was that proposal also advanced by Bill Farver?

Page 15

1 Was he in favor of it?
 2 A. I don't recall.
 3 Q. Or Jim Scherzinger?
 4 A. The Board set the direction and the -- my
 5 recollection is the staff -- I don't recall staff not
 6 supporting the Board's direction.
 7 Q. Okay. Overall, if were you to rate
 8 Mr. Goldschmidt's effort, how would you rate him? Low,
 9 average, or high?
 10 A. Effort with regard to?
 11 Q. His overall performance for the District.
 12 A. I think Steve, during his tenure as the HR
 13 director, with the challenges that we had, was a fairly
 14 effective -- an effective leader for the School District.
 15 Q. What challenges are you referring to? What
 16 challenges did you experience?
 17 A. Over the course of my tenure on the Board,
 18 losing -- whether it was \$30 to \$50 million during various
 19 times, it meant some very hard decisions had to be made
 20 with regard to our employees and our school community.
 21 Also, with an interim superintendent.
 22 Q. And so some of those decisions had a negative
 23 impact in terms of the workforce or the employees
 24 themselves?
 25 A. Yes.

Page 16

1 Q. In terms of layoffs?
 2 A. During -- the primary impact was not layoffs;
 3 rather, it was reductions in pay and reductions in health
 4 insurance and -- Well, excuse me, there -- obviously, the
 5 custodial layoffs was 300. But in terms of the rest of
 6 our employees, it was salary or other benefits that were
 7 being reduced, the five weeks off of the school year.
 8 Q. And how did those challenges negatively impact the
 9 job that he had to do, in your view?
 10 A. Well, I think it was very -- those cuts that were
 11 proposed and some of them that had to be made were very
 12 difficult for employees as they impact employees' families
 13 and their livelihoods.
 14 Q. Over the course of that time, did you compliment
 15 Mr. Goldschmidt on his work?
 16 A. Yes.
 17 Q. And what words do you recall conveying to him about
 18 your view of his work?
 19 A. I don't recall specifically. I mean, it would have
 20 been multiple occasions. I don't recall what specific
 21 words I would have used.
 22 Q. Do you recall the occasions that prompted those
 23 remarks?
 24 A. Well, there were many of them, so I can't recall.
 25 I mean, when we had a successful outcome -- I'm a

Page 17

1 results-oriented person, so if we had an outcome that
 2 matched what the Board had set as an objective, I would
 3 have -- generally try and be complimentary to staff when I
 4 believe they've done something positive for the District.
 5 Q. The challenges that you were talking about that
 6 made it difficult for Mr. Goldschmidt, do you believe that
 7 that also carried over and made it difficult for other
 8 people on his staff, as well?
 9 A. It was hard for everybody in the system.
 10 Q. When you say that you made complimentary remarks
 11 about his performance, was it just with respect to a
 12 positive outcome in negotiations with Union groups, or
 13 were there other positive outcomes that you can recall
 14 that would have prompted those remarks?
 15 A. There would have been other occasions, certainly.
 16 Q. Do you recall whether that would include success in
 17 hiring building administrators such as principals?
 18 A. Yes.
 19 Q. Or his ability to hire teachers earlier and
 20 complete hiring in a timely manner?
 21 A. Say the two examples again.
 22 Q. Do you recall being complimentary about the changes
 23 that he brought about that led to earlier teacher hiring?
 24 A. On that particular issue, although the outcome was
 25 one that I supported, I also, as other people on the Board

Page 18

1 I would tell you, was also concerned -- was concerned
 2 generally about the fact that staffing was being set prior
 3 to the budget being adopted or prior to the Board's
 4 adoption of the staffing ratio.
 5 So it would have been nuanced with a -- that I
 6 remain concerned about the Board having -- playing the
 7 role of setting the staffing ratio in the budget, as long
 8 as that was specifically set.
 9 Q. Did you hear other Board members, as well, make
 10 positive comments about his contribution to the District?
 11 A. Yes.
 12 Q. And what other members would fall within that
 13 category?
 14 A. Well, I think at various times -- so I have two
 15 sets of Boards, I have the previous Board that I served
 16 with and then the current Board -- that there would have
 17 been any number of them on both sets of Boards that I
 18 worked with that would have made complimentary statements
 19 at various times.
 20 Q. Okay. How about Mr. Scherzinger? Did you hear him
 21 make complimentary remarks about Mr. Goldschmidt's
 22 performance, as well?
 23 A. Yes.
 24 Q. And what do you recall Mr. Scherzinger saying about
 25 Mr. Goldschmidt's performance?

Page 19

1 A. I don't recall specifically.
 2 Q. Did you ever hear Vicki Phillips, after she came on
 3 board, make positive comments about Mr. Goldschmidt?
 4 A. Yes.
 5 Q. And what compliments do you recall her making about
 6 his performance after she came on board?
 7 A. That she appreciated he was a results-oriented
 8 person and had a style very much like mine and hers.
 9 Q. And do you recall when it was that you heard her
 10 make that comment?
 11 A. The one specific time I could point to was the
 12 meeting that -- well, it was either at the meeting that
 13 Steve and Vicki and I had about his contract or it was a
 14 conversation she had -- she and I had that preceded that
 15 conversation with Steve, I can't recall which of the two
 16 it was.
 17 Q. But it would have been in that same general time
 18 zone?
 19 A. (Witness nodded head.)
 20 Q. That's a "yes", for the court reporter? You were
 21 nodding --
 22 A. I'm sorry. Yes.
 23 Q. Based upon your experience with Mr. Goldschmidt
 24 yourself, do you think it's a fair characterization to say
 25 that he was grossly negligent in the performance of his

Page 20

1 duties?
 2 MR. HARNDEN: Object, calls for a
 3 conclusion of the witness.
 4 But you can go ahead and answer, if you can.
 5 THE WITNESS: Can you state the question
 6 again.
 7 MR. BUSSE: Would you read it back,
 8 please.
 9 (The question was read by the reporter.)
 10 THE WITNESS: I don't know what the legal
 11 definition is. My interaction with Steve was that he was
 12 an effective leader and administrator for the School
 13 District.
 14 BY MR. BUSSE:
 15 Q. Now, you referenced a meeting that you and Vicki
 16 Phillips had with Mr. Goldschmidt. Was that about
 17 November 19th of last year?
 18 A. I don't recall the specific date. It was, I
 19 believe, in November and sometimes around -- sometime
 20 around Thanksgiving.
 21 Q. What prompted that meeting, to your recollection?
 22 A. I had spent two years working to change the terms
 23 of employment -- or, the parameters of senior
 24 administrators and we were getting ready to -- my
 25 recollection is we were getting ready to have the first

Page 21

1 reading or take some sort of action on it as a Board and
 2 it was a logical time, is my recollection, to have a
 3 discussion with Steve about his contract and the shift in
 4 policy we were having as a School District.
 5 Q. So was there a conversation that you had with
 6 Dr. Phillips about that before deciding to bring Steve in,
 7 or --
 8 A. Yes.
 9 Q. And did you initiate that meeting or did she, or
 10 what?
 11 A. I want to -- I can't recall, it may have been me.
 12 Likely would -- it likely would have been me.
 13 Q. And do you recall what was said at that premeeting
 14 between you and Dr. Phillips on that subject, his
 15 contract?
 16 A. We didn't have -- we didn't have a meeting. We
 17 would have discussed setting it up and generally what our
 18 objectives may have been coming out of the meeting.
 19 Q. Do you recall that it was a telephone discussion,
 20 then, between the two of you?
 21 A. I can't recall.
 22 Q. But in that conversation, what do you recall was
 23 discussed about the objectives that you were wanting to
 24 accomplish?
 25 A. That as we moved to a new system of senior

Page 22

1 administrative contracts that the desired objective would
 2 be that Steve's would be aligned with the other
 3 administrators' contracts in the School District.
 4 Q. In any particular respect?
 5 A. What do you mean?
 6 Q. Was there something that you discussed between the
 7 two of you about what it was about his contract that you
 8 wanted to line up with the new ones?
 9 A. We had a discussion about the -- I believe it's
 10 called the executive care portion of the -- of his
 11 contract, which was a supplemental health insurance, and
 12 that because no other employee now was on that -- used to
 13 be the superintendent, Steve had it, and at that point we
 14 were interested in having Steve's contract on all major
 15 points be aligned with the new parameters, which covered
 16 salary, performance pay, housing, car, severance, the
 17 whole host, that it be aligned with the other contracts.
 18 Q. And so do you recall how soon afterwards you
 19 actually met with Mr. Goldschmidt?
 20 A. My recollection is that we had a problem getting
 21 the three of us together for a variety of reasons -- I
 22 mean, it got scheduled and canceled and rescheduled and it
 23 just -- I mean, it took awhile for the conversation to get
 24 set up.
 25 Q. And once you had the meeting, where was it?

Page 23

1 A. In Vicki's office.
 2 Q. And about what time of day was it?
 3 A. I can't remember.
 4 Q. Morning, noon --
 5 A. I can't remember.
 6 Q. Okay. At the meeting, who did most of the talking
 7 with Steve? Was it you or Dr. Phillips?
 8 A. I don't recall there being a lopsidedness in the
 9 conversation.
 10 Q. Okay.
 11 A. So both.
 12 Q. All right. At that meeting, do you recall
 13 Dr. Phillips telling Mr. Goldschmidt that her interest in
 14 modifying his contract had nothing to do with his
 15 performance?
 16 A. Some words to those effect --
 17 Q. Okay.
 18 A. -- if those are the exact ones, I can't recall.
 19 Q. Did she say nor was it a financial issue?
 20 A. Something to that effect.
 21 Q. Did she say that her opinion about his performance
 22 was that it was good?
 23 A. I don't know if it was the word "good", but
 24 something that would be a similar adjective.
 25 Q. Did she say that the reasons for wanting to

Page 24

1 renegotiate his contract were accountability to the
 2 community and the importance of that to the District's
 3 financial future; public dissatisfaction with his
 4 contract; eliminating the divisiveness with other senior
 5 managers caused by his contract; and that he did not need
 6 certain contract provisions like his termination clause,
 7 given his performance?
 8 MR. HARNDEN: Object, complex, compound.
 9 THE WITNESS: I don't recall whether all
 10 the reasons you just stated were part of the conversation.
 11 Some of them were and other ones I don't recall.
 12 BY MR. BUSSE:
 13 Q. Okay, which ones do you recall of that -- Do you
 14 want me to go through them?
 15 A. If you could go through the list.
 16 Q. Do you recall her saying that he did not need
 17 certain contract provisions like his termination clause,
 18 given his performance?
 19 A. I don't recall that as a --
 20 Q. How about the first one, accountability of the
 21 community --
 22 A. Yes.
 23 Q. -- to the community?
 24 A. Yes.
 25 Q. You recall that being mentioned?

Page 25

1 A. General -- and my answers will be I don't recall if
 2 it was the exact formulation that you're using but
 3 something that would be comparable.
 4 Q. How about public dissatisfaction with his contract?
 5 Did she mention that?
 6 A. Yes.
 7 Q. Did she say anything about divisiveness with other
 8 senior managers?
 9 A. It wasn't -- my recollection was not divisiveness
 10 with other senior managers -- or whatever the word --
 11 THE WITNESS: Fix it.
 12 -- but the fact that it would be a positive
 13 thing to have Steve's contract to be the same as other
 14 senior managers in terms of that being a positive thing
 15 for senior managers to have similar contracts.
 16 BY MR. BUSSE:
 17 Q. Do you recall him going over the history of how the
 18 contract was negotiated in the first place?
 19 A. Yes.
 20 Q. And do you recall her saying that she would not
 21 operate arbitrarily as others had?
 22 A. I don't recall that.
 23 Q. Do you recall her saying that she thought that they
 24 had been working well together, and Mr. Goldschmidt
 25 agreeing with that?

Page 26

Page 28

1 A. Generally.

2 Q. Do you recall Mr. Goldschmidt asking, at some point
3 in the meeting, what it was about the contract that she
4 had difficulty with and her saying, "It's the termination
5 clause"?

6 A. I don't recall that direct exchange. Through the
7 course of the two-hour meeting, it was -- a number of
8 issues were raised that she or I had with the contract,
9 and termination was one; the executive care piece was
10 another; and the pieces relating to the car and the
11 housing allowance, which were no longer operable but were
12 still, in fact, in the contract -- the fact that it was an
13 outdated contract.

14 So a number of issues were raised, that being
15 one of them, but I don't remember the direct -- I don't
16 recall the direct exchange that you related.

17 Q. Do you recall him asking if the limited grounds for
18 termination was the major cause for her concern and her
19 affirming that it was?

20 A. I don't recall.

21 Q. Do you recall at any time her saying that if he was
22 not willing to negotiate his contract that she had other
23 options?

24 A. Yes.

25 Q. Do you recall her asking him directly if he would

1 contract be renegotiated so that it was aligned with the
2 new policy.

3 Q. Did he have any specific response to that, to your
4 recollection?

5 A. He offered to have his attorney address several of
6 the issues that we had raised as part of the meeting in
7 a -- so that some of the issues would have been addressed,
8 for example the housing and car allowance, which really
9 were no longer operable but were still in the contract.

10 Q. Okay. Do you recall saying anything else?

11 A. Not specifically.

12 Q. What do you recall Dr. Phillips saying?

13 A. I'm not sure what specifically you're looking for
14 aside from what you've already asked me.

15 Q. Do you recall her saying anything else?

16 A. No, the only other issue that came up was also the
17 attorney fees --

18 Q. And what was said on that subject?

19 A. -- and who would do the drafting. It was more
20 procedural.

21 Q. Okay. Did you and Dr. Phillips have a discussion
22 after that meeting about what was accomplished?

23 A. Yes.

24 Q. And what was discussed between the two of you as to
25 whether or not you thought that Mr. Goldschmidt would be

Page 27

Page 29

1 be willing to enter into negotiations?

2 A. Yes.

3 Q. And what --

4 A. And in a general sense, "We'd like to negotiate the
5 contract and" -- "renegotiate the contract."

6 Q. Do you recall him responding that he would be
7 willing to do that?

8 A. Yes.

9 Q. Was there ever a mention of a rollover to another
10 contract, or no?

11 A. In this meeting?

12 Q. Yes.

13 A. What do you mean --

14 Q. Did she ever mention the word "rollover" or include
15 that in the conversation, to your recollection, or no?

16 A. I don't recall that specific term that -- I mean,
17 generally what the discussion was would have been what
18 would be a rollover, but I don't recall that specific
19 term.

20 Q. What did you and -- Well, do you recall anything
21 else that was said at that meeting of November 19th? What
22 do you recall saying, yourself, in that meeting to
23 Mr. Goldschmidt?

24 A. That I thought it would be a positive thing for the
25 community and the School District and for him that his

1 willing to negotiate the terms that were of concern?

2 A. That some of them would be addressed and some of
3 them probably would not.

4 Q. And who voiced that opinion? Was that something
5 that you voiced or Dr. Phillips voiced, or that the two of
6 you voiced together and shared?

7 A. Generally, I think that was the general nature of
8 our conversation.

9 Q. And coming out of that meeting, which ones did you
10 have a belief that would probably not be addressed?

11 A. Not be addressed? The change in -- the severance
12 clause, the termination piece of it, and not -- and this
13 wasn't on the description but the -- just the length of
14 the -- the buyout provision.

15 Q. Okay.

16 A. There wasn't an in-depth -- we didn't have an
17 in-depth discussion or a discussion that I can recall
18 about the gross neglect of moral turpitude, but more --
19 the conversation was more focused on the length of the
20 buyout clause in the contract.

21 Q. But you shared the belief that the termination
22 clause would not be altered in any further discussion?

23 A. When you say "termination clause", are you
24 referring to the cause definition or the buyout provision?

25 Q. There are two aspects to that, both the cause for

Page 30

1 termination and, also, the length of the severance if
 2 there was no cause. So with respect to the termination
 3 clause generally, did you discuss that you didn't believe
 4 that there would be any change in the termination clause
 5 with respect to those two aspects?
 6 A. It was unlikely.
 7 Q. And that was not something that just you voiced but
 8 she voiced, as well?
 9 A. That it was unlikely and improbable but not that it
 10 absolutely wasn't --
 11 Q. But that wasn't just coming from you, it was coming
 12 both ways?
 13 A. Yes.
 14 Q. And what did you and Dr. Phillips decide to do
 15 afterwards to explore what room there was in that?
 16 A. Well, my understanding coming out of the meeting
 17 was that Steve was going to have an attorney redraft
 18 something for us and that the -- we were going to move
 19 ahead with the implementation of the senior administrative
 20 contracts policy regardless and that it wasn't contingent
 21 upon any sort of action by Steve but that we were going to
 22 move ahead.
 23 Q. Was there some discussion about having those
 24 dovetail into each other so that there would be a
 25 negotiation at the same time that this new policy was

Page 31

1 going to come into play?
 2 A. That's why we had the meeting, so that it would
 3 be -- as we moved to the new policy, that there would be
 4 an alignment.
 5 Q. So that you could make a public announcement of
 6 that fact?
 7 A. No, but that when we made the change that there
 8 wouldn't be one contract sitting out there that was not
 9 aligned with the new policy.
 10 Q. And so when was the decision made to just proceed
 11 with the -- Did you make that immediately after that
 12 meeting, just to --
 13 A. The Board spent about two and a half years on this
 14 issue, and we were moving through -- we have a process,
 15 once you have -- I don't recall where we were in the
 16 process, but if we'd had a first reading, which I don't
 17 recall, then there's a set time that we move ahead.
 18 And I personally, as a Board member, wanted to
 19 push ahead with implementing the new rules and that
 20 whether or not there was a renegotiation wasn't the
 21 deciding factor to move ahead. I wanted to get the policy
 22 implemented. I thought it was good for Vicki and the
 23 District and the community to move ahead with that change.
 24 Q. And did you decide at that postmeeting conversation
 25 to go ahead and proceed with the implementation of the

Page 32

1 policy?
 2 A. There -- as my recollection, there wasn't a
 3 discussion about not proceeding, that my intention as --
 4 at that time, as the Board cochair, was to move -- move
 5 ahead and have it implemented before my tenure as the
 6 Board cochair was --
 7 Q. Sure.
 8 A. -- make sure that that happened.
 9 Q. And was there discussion at that postmeeting
 10 conversation that your intention would be to proceed with
 11 the implementation of the new policy?
 12 A. Your sentence that you just said, I'm not sure if
 13 you're implying that there was a postmeeting. There may
 14 have been a postconversation -- or are you saying post --
 15 after the meeting?
 16 Q. After the meeting.
 17 A. After the meeting --
 18 Q. You had a discussion with Dr. Phillips, and in that
 19 discussion --
 20 A. I don't recall if we had that discussion. I was
 21 going to move the policy forward regardless.
 22 Q. Was that discussed in your postmeeting discussion?
 23 A. I can't recall if I had discussion.
 24 Q. Okay.
 25 A. It wouldn't have been necessarily necessary,

Page 33

1 because I was going to move --
 2 Q. Was there any later involvement you had in
 3 connection with the issue of modifying his contract?
 4 A. I may have had some follow-up conversation or
 5 request for information about the executive care portion
 6 of the contract, and then there -- I had a call from a
 7 reporter about it.
 8 Q. Who was that?
 9 A. I believe it was Paige Parker.
 10 Q. And what do you recall telling Paige Parker about
 11 that?
 12 A. She originally had called me because she was doing
 13 a story on the new parameters for the terms of employment
 14 and we exchanged phone calls for several days, I think it
 15 was the end of the week before the Monday Board meeting,
 16 but she -- when she eventually contacted me, she related
 17 that she was aware that Steve and Vicki and I had had that
 18 conversation.
 19 Q. Okay. Did she say how she found that out?
 20 A. It was from -- my recollection is that it was from
 21 somebody from the communications department in the School
 22 District.
 23 Q. As of the time of his termination, were you still
 24 expecting there to be some further negotiation or
 25 modification of his contract that would be in the offing?

Page 34

1 A. When you say at the time, do you mean the day of
2 or --
3 Q. Well, that's a good point. Did you have any
4 foreknowledge that he was going to be terminated?
5 A. Yes.
6 Q. And when did you first learn that that was going to
7 happen?
8 A. It was perhaps a couple of weeks -- well --
9 THE WITNESS: Can you repeat the exact
10 question, because I'm --
11 BY MR. BUSSE:
12 Q. When did you first learn that that was going to
13 happen?
14 A. Well, there were two points that I had a discussion
15 with Vicki. One, the day of termination -- and the reason
16 why I asked that to be clarified was my assumption is the
17 conversation that she had with me was prior to her having
18 a conversation with Steve, but I don't know that.
19 Q. What happened two weeks earlier?
20 A. Well -- or it was a couple weeks earlier. There
21 was a series of conversations with Michael Don, with
22 Bobbie Regan, and with Vicki about human resources staff.
23 And as part of those discussions, Steve's potential
24 termination was raised.
25 Q. What was the first conversation in that series that

Page 35

1 you can recall?
2 A. I believe Michael Don's preceded the one with
3 Bobbie, and I don't remember where Vicki's fit into the
4 series.
5 Q. Okay. And what did he say?
6 A. My recollection is that he told me that Vicki was
7 going to order Steve to fire [REDACTED], [REDACTED], and [REDACTED]
8 and that, when he didn't, she would terminate him for
9 insubordination.
10 Q. And what --
11 A. That's my general recollection of the
12 conversation -- part of the conversation.
13 Q. And what did you say when you heard that?
14 A. I -- my recollection is that there were several
15 responses, one relating to [REDACTED] and then one relating
16 to her authority to do it and then one relating to the
17 severance pay.
18 Q. And what did you say with respect to each of those?
19 A. With respect to [REDACTED], I told her that it was her
20 decision to make but that I thought that it would be
21 important to check with the building administrators and
22 principals before she made that decision because I thought
23 the feedback I'd gotten from many administrators was that
24 [REDACTED] was very supportive of their work.
25 Q. And on the other two points?

Page 36

1 A. So -- actually, I'm going to -- want to clarify
2 that the piece about [REDACTED], that was my conversation
3 with Vicki. He did tell me that [REDACTED] was going to
4 be -- but that conversation I had, that was one with
5 Vicki, not with Michael Don. But he -- that was part of
6 what he -- my recollection is that he explained to me.
7 Q. Okay. You were telling me about your reaction once
8 he told you this and that you had three responses, and now
9 you're recalling that one of those responses was actually
10 something that you said to Vicki.
11 A. Yeah, he told me about [REDACTED], and I -- I can't
12 recall my exact conversation about that, but I think I --
13 the appropriate place for me to have that conversation was
14 with Vicki, so --
15 Q. And the other two responses that you can recall?
16 A. That Vicki had the authority to -- as a
17 superintendent, to hire and fire the team at the central
18 office generally -- and, again, these are just general
19 recollections -- and that on the termination that it was
20 fairly well-known in the District that I would not support
21 buying out somebody's contract.
22 Q. And do you recall telling him anything else besides
23 those points?
24 A. I don't recall.
25 Q. Do you recall anything else that he said in

Page 37

1 response to what you said?
2 A. No. It was a fairly short -- my recollection is it
3 was not a long conversation.
4 Q. Did he tell you why Vicki was going to order Steve
5 to do that?
6 A. Well, she was going to order the -- based on her
7 assessment of their -- their performance, the other -- the
8 other administrators.
9 Q. [REDACTED], [REDACTED], and [REDACTED]?
10 A. Yes.
11 Q. And he didn't give you any other details about what
12 she based her assessment on in that conversation?
13 A. I think -- my recollection is that it was partly on
14 some feedback from people -- some people within the
15 department and some from out in the school buildings.
16 Q. But he didn't get specific with you in that
17 conversation?
18 A. No. It wasn't -- it wasn't a really long
19 conversation.
20 Q. What was the next conversation you had with anybody
21 on that same subject? Was that with Bobbie Regan?
22 A. That's my recollection; although, the -- again, the
23 order, it's -- and I don't know the -- I can't remember
24 the timing.
25 Q. Let's take them one at a time. What was said in

Page 38

1 the conversation, in substance, in your conversation with
 2 you and Bobbie Regan?
 3 A. It was a similar conversation, but I don't -- I
 4 don't recall -- I don't recall [REDACTED] being part of it,
 5 so that whole issue wasn't there, but -- and seeing where
 6 I was going to be with regard to what I might say publicly
 7 or whether I might -- would be supportive of those
 8 specific actions and what I might support in terms of --
 9 be willing to vote for, a variety of -- They divided the
 10 Board, and I was the person -- one of the people that
 11 Bobbie was supposed to call.
 12 Q. What did she say about any of that?
 13 A. About any of that what?
 14 Q. You've kind of described it, but can you recall
 15 anything that she actually said to you, verbatim or in
 16 substance?
 17 A. She said something to the effect that she was
 18 calling to see where Board members were and that it
 19 appeared that Vicki was going to be moving ahead and
 20 wanted to know whether I would support -- I mean, at one
 21 point, supporting a specific -- like negotiated settlement
 22 to settle it and a discussion about how -- what the
 23 Board's role would be in the -- in this event.
 24 Q. How many days was it after Michael Don's contact
 25 that your conversation with Bobbie Regan occurred?

Page 39

1 A. I don't recall.
 2 Q. Are we talking about less than a week, or --
 3 A. I don't recall.
 4 Q. Okay. And you didn't take any notes of your
 5 conversation with Michael Don, did you?
 6 A. No.
 7 Q. Or with Bobbie Regan?
 8 A. No. I was in my car with Bobbie; it was at night.
 9 Q. Or of the previous November conversation with the
 10 three of you concerning Steve's contract? Do you have any
 11 notes of that conversation?
 12 A. I may. I -- I don't recall specifically.
 13 Q. Okay. Has anybody asked you to look?
 14 A. I received an e-mail from Jollee Patterson asking
 15 me --
 16 Q. Okay, you don't need to get into that, because of
 17 attorney/client privilege stuff.
 18 A. Okay.
 19 Q. But I'd appreciate if you could look and see if
 20 there were any notes and, if there would be, if you could
 21 supply them to your counsel, that would be most helpful.
 22 By the time that Bobbie Regan called, given
 23 the earlier conversation that Steve was not part of the
 24 termination proposal by the time Bobbie Regan got to you,
 25 was the word that Vicki was going ahead including

Page 40

1 terminating Steve, or no?
 2 MR. HARNDEN: Object to the form of the
 3 question, it includes facts not in evidence and misstates
 4 her testimony.
 5 THE WITNESS: I'm sorry, what did you
 6 say?
 7 MR. HARNDEN: I said, object --
 8 THE WITNESS: Okay.
 9 MS. BERNICK: You can answer. He said
 10 that Rich had misstated your testimony, so -- if you need
 11 the question read back or clarified, you can do that.
 12 THE WITNESS: Can you state the --
 13 BY MR. BUSSE:
 14 Q. You want me to restate the question?
 15 A. Uh-huh.
 16 Q. By the time Bobbie Regan called, was the
 17 termination of Steve something that she was informing you
 18 Vicki Phillips intended to go ahead with?
 19 A. At that point, it was described as still contingent
 20 upon Steve's actions based on the direction that she was
 21 going to give him with regard to the staff.
 22 Q. And the direction -- I think I heard you say
 23 something, by that time [REDACTED] was not part of it.
 24 A. That's my recollection -- I don't recall having a
 25 discussion with Bobbie about [REDACTED].

Page 41

1 Q. Okay, so that it had to do with the direction to
 2 Steve to terminate [REDACTED] and [REDACTED]
 3 and that, if he didn't, he would be terminated?
 4 A. That's my recollection.
 5 Q. Okay. What response did you give to Bobbie Regan
 6 in that conversation about where you stood on that?
 7 A. It was very similar to the conversation I had with
 8 Michael Don, which was she had the authority, that's
 9 what -- we hired her to lead the District, and that I
 10 would not be a vote to support any sort of severance
 11 pay --
 12 Q. Okay.
 13 A. -- which is the Board's role.
 14 Q. And when you referenced severance pay, did any one
 15 of those individuals besides Mr. Goldschmidt have a
 16 contract that would have entitled them to severance pay,
 17 to your knowledge?
 18 A. I'm not familiar with either of those contracts. I
 19 knew they had contracts, but I'm not familiar with that
 20 particular provision.
 21 Q. So when you referred to severance pay, were you
 22 thinking about the provision in Mr. Goldschmidt's
 23 contract?
 24 A. Yes.
 25 Q. Okay. And what's the next conversation that you

Page 42

1 can recall, even though it may be out of order, with
 2 anybody about that same time?
 3 A. Well, in general, I had a conversation with Vicki
 4 about it, the piece with regard to ██████████, and -- again,
 5 I don't remember the -- the order -- and also about the
 6 process that was going to be -- or, the process that was
 7 going to be worked through.
 8 Q. And what was said in that conversation with Vicki
 9 Phillips?
 10 A. We talked about ██████████ -- I mean -- and there may
 11 have been more than one conversation, because I spoke to
 12 Vicki fairly often -- that we definitely had a
 13 conversation about ██████████ and what I perceived her value
 14 to be, although it was Vicki's decision, and that I felt
 15 that she should touch base with other people in the School
 16 District about her performance.
 17 Q. What was her response to that comment?
 18 A. I think she acknowledged my advice and that,
 19 also -- indirectly, that I had -- it was her decision, so
 20 that was one --
 21 Q. One piece of that. What else do you recall that
 22 was said in that conversation?
 23 A. Part of the conversation with Vicki is -- at that
 24 point, was she was -- that she was concerned by the
 25 Annenberg findings about human resources and the reports

Page 43

1 that she had had from some individuals within human
 2 resources and in the central office about human resources.
 3 Q. Did she specify what those were?
 4 A. That people weren't feeling supported generally by
 5 some of the human resources administrators.
 6 Q. Did she say what people said that?
 7 A. And, again, this may have been over a series -- a
 8 series of -- part of a series of conversations that may
 9 not have been the main topic of conversation but I was in
 10 her office for something else and she raised something.
 11 She raised the issue of one of the human
 12 resources employees, ██████████, had had a conversation
 13 with her about some of the things happening in human
 14 resources.
 15 Q. Did she say what ██████████ said about that?
 16 A. She referenced some sort of destruction of
 17 documents.
 18 Q. Anything else?
 19 A. In terms of my conversation with Vicki?
 20 Q. Yeah. Did Vicki say that ██████████ told her
 21 anything else that was going on in human resources besides
 22 that?
 23 A. No. And I -- we didn't have a long conversation
 24 about it.
 25 Q. Did she say what documents were being destroyed?

Page 44

1 A. No.
 2 Q. Did she say who was destroying them?
 3 A. No.
 4 Q. Did she mention --
 5 A. It was a very brief conversation.
 6 Q. Sure. Was anyone but ██████████ mentioned by name?
 7 A. I believe we had a -- my recollection is we might
 8 have also discussed an employee who sent a letter to the
 9 School District that had been sent to Vicki and to myself.
 10 Q. Was this someone who signed the letter or was it
 11 anonymous or --
 12 A. It was a signed letter.
 13 Q. And who was it from?
 14 A. I can't remember the employee's name.
 15 Q. Do you recall when it was sent?
 16 A. It was sometime in the fall, I don't recall.
 17 Q. What did it say --
 18 A. There were actually two letters.
 19 Q. There are two letters from the same individual?
 20 A. No, two separate individual -- two separate
 21 individuals.
 22 Q. Oh, okay. And you don't recall either of their
 23 names?
 24 A. But -- Vicki and I didn't have a long conversation
 25 about them, but --

Page 45

1 Q. It was just referenced.
 2 A. -- a passing reference.
 3 MR. BUSSE: Would you make a note to me
 4 to request to have produced the separate letters that this
 5 individual has just testified to.
 6 MS. BERNICK: Rich, I'm just going to
 7 note that the time is 10:20 and she needs to be out of
 8 here at 10:30.
 9 MR. BUSSE: Yeah, I'm working to --
 10 MS. BERNICK: I understand.
 11 MR. BUSSE: -- quickly as I can without
 12 rushing the witness.
 13 BY MR. BUSSE:
 14 Q. Do you recall the substance of the content of
 15 either of those letters?
 16 A. They were generally about -- my recollection is
 17 that they were generally about their experience in human
 18 resources working there and at least one of them with
 19 ██████████ behavior towards this particular
 20 employee.
 21 Q. Okay. Was one of the letters from a woman named
 22 ██████████?
 23 A. The -- it may have been. The one I recall is ██████████
 24 ██████████, but --
 25 Q. Was who?

Page 46

1 A. [REDACTED].

2 Q. Okay.

3 A. I can't recall, but I think that was her name. But

4 I can't recall if the other one was from [REDACTED].

5 Q. Okay, got you. Was any other person mentioned,

6 besides [REDACTED] and the author of the two letters, in your

7 conversation with Vicki?

8 A. I can't recall whether -- with other people, there

9 had been, but I don't recall with Vicki specifically

10 that --

11 Q. Did she say anything about the Annenberg finding

12 that you can remember that pertained to human resources?

13 A. In our general conversation, she raised a concern

14 about the findings relating to human resources.

15 Q. Do you recall what finding or which finding she

16 mentioned?

17 A. That their support -- it's my understanding --

18 well, her -- the concern about the support from HR for

19 schools.

20 Q. Okay.

21 A. That generally -- I don't have a -- it wasn't

22 a long, substantive discussion about it.

23 Q. And so you had your conversation about [REDACTED] she

24 mentioned things that were going on in human resources;

25 she mentioned the Annenberg report. Did she say anything

Page 47

1 else in that conversation, to your recollection? Keeping

2 in mind that this could have been over a series of

3 conversations --

4 A. -- a series of conversations.

5 Q. -- as well.

6 A. Well, as with the other individuals I'd spoken to,

7 she outlined the process of the having Steve fire the two

8 people and, if he didn't do it, then he would be fired, I

9 mean, she outlined that scenario the same.

10 Q. The scenario she outlined -- Let me see if I can

11 understand. That she would direct Mr. Goldschmidt to

12 terminate [REDACTED], [REDACTED], and [REDACTED] and, if he didn't, he

13 would be terminated for insubordination?

14 A. My recollection is when I had the conversation --

15 that conversation with Vicki is that [REDACTED] was not, at

16 that point, a part of it, but yes.

17 Q. That she would direct Steve to fire [REDACTED]

18 [REDACTED] and [REDACTED] and, if he didn't, he would

19 be terminated for insubordination.

20 A. That is generally the process that she described

21 that was going to be pursued.

22 Q. Did she indicate to you that that was the device

23 that she was using to try and get out from paying the

24 severance?

25 MR. HARNDEN: Object to the form of the

Page 48

1 question.

2 THE WITNESS: No, that's not how she

3 described it.

4 BY MR. BUSSE:

5 Q. Do you recall saying anything to her in that

6 conversation or series of conversations about that

7 proposal?

8 A. I believe I repeated what I had told other people,

9 which was that she had the authority to make changes to

10 build her own team and that -- everybody knew where I

11 would end up on the severance pay piece of things.

12 Q. In her conversation with you, did she express a

13 belief as to whether or not Mr. Goldschmidt would be

14 willing to fire [REDACTED]?

15 A. Not that I can recall.

16 Q. Did she express an expectation that he would?

17 A. Not that I can recall.

18 Q. Did she express any desire to terminate him in that

19 conversation?

20 A. That was the inference I took from it.

21 Q. And why is that?

22 A. Because that was the second piece of the -- the

23 action as a contingency, but --

24 Q. But part of the plan?

25 MR. HARNDEN: Object to the form of the

Page 49

1 question.

2 THE WITNESS: We didn't discuss

3 whether or in fact that piece would occur.

4 BY MR. BUSSE:

5 Q. Was there anything else that you can recall from

6 your conversations with Vicki Phillips that pertained to

7 her plan?

8 A. Well, I would describe it more of a process, as

9 opposed to a plan with a predetermined outcome.

10 Q. Okay. Was there anything else that you discussed

11 with her besides what you've already testified to

12 concerning the process that she outlined?

13 A. Not that I can recall today.

14 Q. What's the next thing that you heard about in terms

15 of the events leading up to Mr. Goldschmidt's termination?

16 A. So there may have been smaller conversations, but

17 the next significant piece was I received a call from -- I

18 believe it was Bob Lawrence or somebody in the

19 communications department or Jollee, I can't recall,

20 somebody from the School District on the day of the

21 termination notifying me of the actions that Vicki was

22 taking, which was the actions with regard to [REDACTED] and

23 [REDACTED] and Steve.

24 Q. What did you say when you heard that from

25 Mr. Lawrence?

Page 50

1 A. I thanked him for notifying me, and I might have --
 2 I might have said that that wasn't how it was described --
 3 the process that -- my understanding, and so I called
 4 Vicki.
 5 Q. And what did the two of you discuss in that
 6 conversation?
 7 A. We -- she described why she was taking the course
 8 of action that she was taking; that it -- she viewed --
 9 she said it needed to be done, and we had a brief
 10 discussion about the basis for her decision relating to
 11 Steve.
 12 Q. Tell me what was said in her description of why she
 13 was taking that course of action.
 14 A. We didn't have a -- aside from a reference, I
 15 believe, to morale in the department, we didn't have a
 16 specific discussion. She assured me that she had
 17 consulted with attorneys and had what she believed was
 18 necessary to terminate him.
 19 Q. Did she say what that was?
 20 A. No.
 21 Q. Okay.
 22 A. And I didn't ask, as she has the authority to do
 23 it.
 24 Q. And you say you had a brief discussion as it would
 25 pertain to her termination of Steve. What was that?

Page 51

1 A. Well, my recollection is that I asked her how it --
 2 why we'd done something differently than the process -- or
 3 why she had done something differently in the process, and
 4 she provided that she felt that all three of the
 5 individuals needed to be removed immediately from the
 6 department.
 7 Q. Did she say why?
 8 A. Pardon?
 9 Q. Did she say why all three?
 10 A. Again, we didn't have -- she relayed to me that she
 11 felt -- she had consulted with others and that she felt
 12 she had the grounds to do it, and we had a discussion
 13 about how the -- the language in the communication that
 14 was going to go out.
 15 Q. Did she say that Steve had done anything in
 16 particular?
 17 A. There -- my recollection is there wasn't a specific
 18 discussion about the individuals, it was the collective
 19 "This needs to be done".
 20 Q. Did she say that the individuals as a group did
 21 anything in particular?
 22 A. Actually, on Steve's piece, I think she said he
 23 didn't perform the duties that -- in addition to the
 24 morale, the duties that were expected of him, but it was a
 25 very general --

Page 52

1 Q. What did you say when she said that?
 2 A. I don't recall if I said anything.
 3 Q. And so this was an announcement to you after the
 4 fact of the decision being reached.
 5 A. Well, my -- the decision was in motion, and whether
 6 it actually had been executed or not, you know, given by
 7 an hour or two, I don't know, but --
 8 Q. It was not a decision that you recommended.
 9 A. It wasn't one that I would have participated in
 10 because it's not my job as a Board member to decide who is
 11 hired or fired by the District, aside from the
 12 superintendent.
 13 Q. And nobody solicited your recommendation.
 14 A. Well, I felt that my conversations with Michael Don
 15 and Bobbie and a variety of other people is -- generally,
 16 that they probably had my opinion.
 17 Q. You never recommended to remove Steve because of
 18 his performance, though, did you?
 19 A. No.
 20 Q. Just a couple other points and a couple documents
 21 and you're out of here.
 22 THE WITNESS: Can we just --
 23 MR. BUSSE: If you need to, that's fine.
 24 (The witness conferred with Counsel
 25 outside the deposition room.)

Page 53

1 BY MR. BUSSE:
 2 Q. In the '04 negotiations, did you want to negotiate
 3 a change in the hiring, assignment, and transfer language
 4 in the contract?
 5 A. I'm sorry, did I hope to --
 6 Q. Were you in favor of wanting to do that?
 7 A. Yes.
 8 Q. And coming out of the executive session in
 9 September, did you think that you had Board support to
 10 keep the hiring and transfer and assignment language on
 11 the table?
 12 A. Yes.
 13 Q. Did other Board members disagree and feel that they
 14 should give up on that issue?
 15 A. There was varying degree of support for that;
 16 however, we would not have kept it on the table if there
 17 hadn't been four members of the Board who wanted to
 18 continue to have that be an issue in negotiations.
 19 Q. Okay. Let's just take a look briefly at some
 20 documents that I've put in front of you. Can you identify
 21 Exhibit C-103 as Mr. Scherzinger's accomplishments and
 22 challenges that he wrote to the Board for 2002/2003?
 23 A. Are you asking me a question about it?
 24 Q. Is that what that document appears to be?
 25 A. I need a few minutes to --

Page 54

1 MR. BUSSE: And I'll accept a
 2 stipulation, to save time.
 3 MR. HARNDEN: To my knowledge, that's
 4 what it is.
 5 MR. BUSSE: Okay, good.
 6 BY MR. BUSSE:
 7 Q. Let's turn over to Page 2, then, of the document.
 8 Under "Human Resources" it says, under "Accomplishments",
 9 second sentence, "In both the teachers and SEIU
 10 negotiations, we did a much more effective job of
 11 involving principals in prioritizing issues, of preparing
 12 and involving the Board in making key decisions, creating
 13 an effective bargaining team, and being clear about our
 14 priorities." Do you see that there?
 15 A. Yes.
 16 Q. Do you agree with that?
 17 A. Yes.
 18 Q. And did Mr. Goldschmidt have anything to do with
 19 that?
 20 A. Yes.
 21 Q. And how important was he to those improvements?
 22 A. Steve was the one who, I believe, was the point for
 23 the School District in engaging the principals and
 24 prioritizing the issues; and he was the -- in most
 25 negotiations, the primary lead in briefing the Board on

Page 55

1 where we were with negotiations; and Steve was also the
 2 one who created an effective bargaining team, who helped
 3 create the more diverse bargaining team that we had
 4 compared to previous years.
 5 Q. Okay. And on the next page, Page 3, in the third
 6 complete paragraph beginning with, "We hired 43 building
 7 administrators, including six high school principals" --
 8 Do you see that there?
 9 A. I do.
 10 Q. It says, "An evaluation of the school/community
 11 based hiring process showed a high level of satisfaction
 12 with the system." My question is, was Mr. Goldschmidt
 13 instrumental in the process that resulted in that
 14 favorable survey?
 15 A. He, as the head of human resources, was a key piece
 16 of the implementation of that new principal hiring
 17 process.
 18 Q. And in the last paragraph, "We implemented a new
 19 on-line job application system...." Was that an important
 20 improvement, in your estimation?
 21 A. I don't have any way of knowing, as I have never
 22 applied for a job with the School District.
 23 Q. All right.
 24 A. It was something that was in various proposals that
 25 we needed to do that and so implementing it, but

Page 56

1 whether -- what the system looked like, I'm not familiar
 2 with it.
 3 Q. Okay. And if you go to Exhibit C-104, is this the
 4 Board's summary of evaluation for Mr. Scherzinger for the
 5 2002/2003 school year?
 6 A. It appears to be; although, I haven't seen it in
 7 this format.
 8 Q. Okay. And is it correct that the Board would rate
 9 the performance of Mr. Scherzinger annually?
 10 A. Yes, that was the Board's objective.
 11 Q. And so that the numbers out to the right-hand side
 12 would be the Board's numbers; correct?
 13 MR. HARNDEN: Well, I think that she's
 14 testified she hasn't seen this document before.
 15 THE WITNESS: I haven't seen this form of
 16 it. The numbers -- I saw it in a bigger -- my own
 17 individual one. This is the consolidated version. I
 18 can't recall having seen --
 19 BY MR. BUSSE:
 20 Q. In the version that you saw, was there a four-point
 21 rating scale such as we have here?
 22 A. Yes.
 23 Q. So if you look under "Human Resources Leadership",
 24 the total score given to Mr. Scherzinger is a 2.2, which
 25 would be satisfactory on the Board's scale; is that

Page 57

1 correct?
 2 A. That would be the collective opinion of the Board
 3 with regard to Mr. Scherzinger.
 4 Q. Taking a look at the lowest rating there where it
 5 says, "Establishes productive relationships with
 6 bargaining groups while managing contracts and contractual
 7 issues in ways to support District goals" of 1.6, is that
 8 all Steve Goldschmidt, or is that a reflection of
 9 Mr. Scherzinger's performance or the Board's, or what?
 10 A. I believe -- I'm only going to speak for my -- I
 11 believe it represents a -- it's a reflection on Jim,
 12 Steve, and the conditions of the School District.
 13 Q. As you've previously described those conditions?
 14 A. Were very challenging with regard to our school
 15 community and the cuts that were made.
 16 Q. Exhibit C-105, is this the new administrative
 17 employees contract policy that you referred to earlier?
 18 A. It is.
 19 Q. Was that approved?
 20 A. Yes.
 21 Q. And did human resources provide appropriate input
 22 prior to its adoption?
 23 A. Human resources, a variety of staff over the
 24 two-year period that I was developing it, provided me with
 25 a wide variety of information.

1 Q. If you'll look at C-106, this is a news advisory
2 that went out. It's quoting you as saying, in the second
3 paragraph, now the policy would clearly prohibit what she
4 called, quote unquote, outrageous contract provisions.

5 Did you say that?

6 A. I'm sure I have at some point over the last four
7 years during my time with the Board, yes.

8 Q. By "outrageous contract provisions", did you mean
9 to refer to those including the termination clause in
10 Mr. Goldschmidt's contract?

11 A. There were -- these comments are directed at a
12 number of contracts that the District has entered into
13 over the years, Susan Dyer's, Ben's, Steve's, Patricia
14 Pickles'.

15 Q. And in referring to his amongst that group, did you
16 have in mind as one of the contract terms that you believe
17 would fall into that category the cause provision in his
18 termination clause?

19 A. I was focused on the buyout of the -- the cost to
20 the taxpayers piece of -- You described it earlier as
21 having two parts. I was focused on the potential cost to
22 taxpayers when, in a whole variety of contracts the
23 District had, that the -- the exposure we might have
24 financially.

25 MR. BUSSE: Okay. That's it. Thank you

1 STATE OF OREGON }
2 County of Washington)
3

4 I, Kimberly J. Rise, Certified Shorthand Reporter for
5 the State of Oregon, hereby certify that said witness
6 personally appeared before me at the time and place set
7 forth in the caption hereof; that at said time and place I
8 reported in Stenotype all testimony adduced and other oral
9 proceedings had in the foregoing matter; that thereafter
10 my notes were reduced to typewriting under my direction;
11 and that the foregoing 59 pages constitute a full, true
12 and accurate record of all such testimony adduced and oral
13 proceedings had and of the whole thereof.

14 IN WITNESS WHEREOF I have hereunto set my hand this
15 27th day of June, 2005.

16
17
18 /s/KIMBERLY J. RISE
19 Kimberly J. Rise
20 Certified Shorthand Reporter
21 for the State of Oregon
22 CSR No. 90-0138
23
24
25

1 very much.

2 MR. HARNDEN: Thanks very much.

3
4 (The deposition concluded at 10:47 a.m.)
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25